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IN THE

Supreme Court of the United States

OCTOBER TERM, 1958

No

WM. T. ALVARADO SALES CO. and SPEE-DEE CHECKOUT SYSTEMS, INC.,

Petitioners,

vs.

SIDNEY S. RUBALOFF and ABRAHAM M. GROSS, individually and doing business as CHECK-A-MATIC CO., and DU-MORE FIXTURE CO., INC.,

Respondents.

Brief of Respondents Rubaloff & Gross in Reply to Petition for Writ of Certiorari.

Statement of the Case.

Petitioners' statement of the case correctly quotes *portions* of the Court of Appeals Decision, but is misleading in omitting other pertinent portions of the decision which, as will be pointed out hereinafter, clearly indicate the lack of any basis for disturbing or even reviewing that decision.

This case does not involve conflicting decisions of several Courts of Appeal; nor an important question of federal law not previously decided, by or in conflict with previous decisions of this Court, nor involving any departure from the usual course of judicial procedure, such as to

warrant review by certiorari. Petitioner merely seeks by this writ to obtain a review of concurrent findings of the lower courts on what is merely a question of fact, namely the invalidity of the patent in suit, for which there is ample basis in the lower courts' findings. In such a case, it is not the practice of this Court to grant certiorari.

Petitioner's statement of "Questions Presented" likewise has misleading aspects, in ignoring important findings of the Appeals Court. Using petitioner's paragraph numbering, they are as follows:

1. The Appeals Court did *not* invalidate the patent solely because of inadequate degree of superiority, but on the contrary, found the patent invalid on several sustainable grounds hereinafter more fully discussed *and, in particular, on the ground of aggregation.*

2. The Appeals Court *did* make findings upon the teachings of the prior art.

3. The Appeals Court did not ignore the presumption of validity, and *did* point out uncited prior art, which, with other considered prior art, was found to suggest the combination.

Argument.

This Court will not review any aspect of the decisions below not presented in the questions specifically brought forward by the Petition. (*U. S. Sup. Ct. Rule 38, sub. 2.*)

All of the questions presented by the Petition relate solely to the *fact of invalidity* as found by the lower courts, applying standard and well established principles of law relating to (1) unpatentable aggregation, (2) lack of invention, (3) lack of presumption of validity over uncited art. No new question of law calling for the attention of

this Court, is presented. There is no reason for granting certiorari, there being no conflicting decision of any other Circuit Court of Appeals.

General Talking Pictures Corporation v. Western Electric Company, Inc. (N. Y., 1938), 304 U. S. 175, aff'd, 305 U. S. 124;

Layne and Co. v. Western Well Works (1923), 216 U. S. 387;

Bement v. National Harrow Company (1902), 186 U. S. 70.

Even though this Court were to exercise its power of review, it would not disturb concurrent findings of fact on the question of validity.

Faulkner v. Gibbs (1949, U. S.), 83 U. S. P. Q. 192.

There is ample basis for the findings of the lower courts that the patent is invalid. This becomes clear upon consideration of the Appeals Court findings contained in portions of the Appeals Court decision ignored by petitioner. Referring now to petitioner's QUESTIONS PRESENTED:

QUESTION No. 1. The lower courts did not invalidate the patent solely on the ground of inadequate degree of superiority. On the contrary, the Courts' judgments of invalidity were based upon a number of fully sustainable grounds, including:

> Aggregation. "* * * we hold that the trial Court did not err in concluding that the George device is a non-patentable aggregation of old components and therefore invalid. Its components do not perform any additional or different function in the combination than they perform out of it." (See last three lines of page 9a of the Petition.)

Despite the fact that petitioner discusses at length the case of *Great A & P Tea Co. v. Supermarket Equipment Corp.*, 340 U. S. 147, that case supports and directs the judgment of invalidity in the case at bar. The Court below in the present case found as a matter of fact that

> "* * * There is substantial evidence to support the finding of fact that all components of the claimed invention are old in the prior art." (See Petition, p. 4a, last par.)

and having found that the uncited Florence patent taught the use of a turntable in connection with groceries and that the register support is taught in the Bradley and Muse patents, stated:

> "* * * Discharge tables are shown in the same prior patents and aside from these patents have long been in public use." (Emphasis added.)

The Appeals Court also made reference to the findings of the trial Court to the effect that the functions of each of the various components of the alleged invention is not different from the function of each of said components as disclosed in the prior art and as disclosed in devices in prior public use, and that there is no new relationship, coaction, or surprising result in the aggregation of the various components of the alleged invention. (Pet. p. 3, footnote.)

The vice of an aggregative claim is that, by overclaiming the alleged invention, it gives the patentee the power to exact tribute upon notoriously old and long-used components of the aggregation, under the present Patent Statute which now establishes the law of contributory infringement. This vice is particularly aggravated in connection with the claims of the patent in suit, since the cost to the

customer of the notoriously old merchant's counter, referred to as a "discharge table" by the patentee, is obviously a very substantial part of the total cost of the aggregation of units constituting the claimed structure. This is obvious from an inspection of the patent. Such overclaiming was condemned not only in the *A & P* case but also in the case of *Lincoln Engineering Company v. Stewart-Warner Corporation*, 303 U. S. 545.

Because of its direct application to the case at bar, the language of this Court in deciding this point in the *A & P* case, as applied to the aggregation of the counter and the admittedly novel extension to receive a bottomless self-unloading tray for conveying groceries to the cashier, is here quoted:

> "In the third place, if the extension itself were conceded to be a patentable improvement of the counter, and the claims were construed to include it, the patent would nevertheless be invalid *for overclaiming the invention* by *including old elements*, unless, together with its other old elements, the extension made up a new combination patentable as such. Bassick Mfg. Co. v. Hollingshead Co., 298 U.S. 415, 425; Carbice Corp. v. American Patents Development Corp., 283 U.S. 27." (Emphasis supplied.)

The language of this Court in reaching its conclusion in the *Lincoln Engineering* case is likewise so directly germane to this issue as to justify repetition:

> "We conclude that Butler's effort, by the use of a combination claim, to extend the monopoly of his invention of an improved form of clutch or coupler to old parts or elements having no new function when operated in connection with the coupler renders the claims void."

In the concurring decisions of the Courts below, all components of the claimed invention have been found to be old in the prior art; a discharge table has been found to be shown in the same prior patents which disclose register supports and conveyors for bringing the articles to the checker, and stops to hinder the movement of articles or to change their direction of movement have likewise been found disclosed in the same prior patents. Furthermore, it has been found as a matter of fact that the components of the George device *do not perform any additional or different function in the combination that they perform out of it.* In the words of the Appeals Court (Pet., p. 9a, bottom):

> "Applying the test of the A & P case to the uncontroverted facts before us here, we hold that the trial Court did not err in concluding that the George device is a non-patentable aggregation of old components and therefore invalid. Its components do not perform any additional or different function in the combination than they perform out of it."

This conclusion, although applicable to other components, is especially applicable in a very obvious way to the "discharge table," which functions simply as a counter to receive the checked articles for sacking, as it always did in the prior art.

This Court need not disturb these concurrent findings, and the law of *A & P* and *Lincoln Engineering* cases is directly applicable thereto for disposition of the Petition without requiring any inquiry into the other phases of invalidity presented by petitioner's questions, although they are briefly considered below.

QUESTION No. 2. *The Court of Appeals did make findings upon the teachings of the prior art.* Quoting the Court:

> "* * * the display of groceries for customer selection and the packaging of paper milk bottles are, along with checkstands, part of the art of handling small articles. If a component of a device used in one field of this art is old, it is old in all fields of that art.
>
> * * * There is substantial evidence to support the finding of fact that all components of the claimed invention are old in the prior art. The turntable component has already been discussed. The use of a register support, though not in the position and with all of the advantages shown in the George patent, is taught in the Bradley and Muse patents. Discharge tables are shown in the same prior patents and aside from these patents have long been in public use. Stops to hinder the movement of articles or to change the direction of movement are shown in the Bradley and Price patents." (See Pet., p. 4a, beginning second par.)

In addition to the foregoing the Court of Appeals found that the uncited Florence patent teaches the use of the turntable in connection with customers' purchases of groceries. The Court makes it clear that Bradley discloses all of the essential components of the George device, including a conveyor belt which performs the same general function as the turntable of the patent. The decision also makes it clear that the Bradley patent is regarded as teaching the combination when considered in connection with the uncited Florence patent.

QUESTION No. 3. *The Court did not disregard the presumption of validity, and did point out prior art not considered by the Patent Office, and which, taken with the other pertinent art, suggests the combination of the patent.* In the words of the Court:

> "Appellants are not correct in asserting that the only prior use of a turntable relied upon by appellees is that described in the Price patent. Appellees also rely on the Florence patent, which teaches the use of a turntable in connection with the display of groceries for customer selection."

The substitution of the turntable grocery purchase conveyor taught by Florence or of the paper milk bottle packaging turntable of the Price patent for the belt conveyor of the Bradley patent was found by the Appeals Court to be lacking in invention. In the words of the Court (Pet., p. 5a):

> "In view of this finding it follows that the manner in which any single component of the George patent is utilized therein will not suffice to establish patentability. The taking over of devices from one field of use to another does not constitute invention, even though they be put to a new use."

QUESTION No. 4. This question can be answered in the affirmative. The mere fact that an element of a patented device performs an additional function or that the closest prior art functions less conveniently, does not in any way preclude a finding that such differences over the prior art are such that the subject matter as a whole is obvious. Such a finding has been made in this case and need not be disturbed.

QUESTION No. 5. The answer to this question is clearly affirmative. The fact that an element of a patented device may be employed in a new position with new advantages and added function, if true, would not cure the vice of an aggregative claim overclaiming an invention.

QUESTION No. 6. It is clear that the Courts below did not invalidate the George patent simply on the ground stated. The findings of invalidity for aggregation, obviousness and lack of invention, and teaching of the use of a turntable in connection with grocery purchases, in an uncited patent of the prior art, are each and all of them fully adequate bases for the decisions below. However, it is clear that the Courts did give full consideration to such specific novel relationships and details as may be found in the George checkstand and, after according them full significance, found that they lacked any patentable significance, because of the lack of any unusual or surprising consequences or important addition to the total stock of knowledge (concluding sentence of decision below). It is clear that the Court regarded the novel functions and advantages referred to by petitioner (and the degree or quantum of superiority referred to in Question No. 1) as being insignificant.

With specific reference to the claimed advantages of utilizing the arcuate movement of the turntable to convey articles transversely away from the customer and toward the checker, the Court of Appeals found:

> "When an attendant is used in the operation of the Bradley device as the patent contemplates, he stands on the checker's side of the receiving table. This naturally results in the placing of most articles

on the side of the conveyor belt closest to the checker, and so brings them into convenient reach of the checker."

After noting that as to articles placed on the prior art belt by a customer, some of them would probably be placed on the customer's side of the belt and would therefore come to a stop at a place less convenient for the checker, the Court of Appeals found:

"As a matter of fact, however, the majority of such belts are 18 inches wide. Articles placed anywhere upon a belt of that width would be within relatively easy reach of the checker. In addition it is the practice of some checkers to select items from the turntable or belt at random * * * without waiting for them to reach the stop bar. *Where this is the practice it is probably fair to say that it makes little difference whether a turntable or a conveyor belt is used.*" (See Pet., p. 7a; emphasis supplied.)

Respondents challenge petitioner's statement (Pet., top p. 10) that the only limitation on patentability is the requirement of a difference between the patent and the prior art which would not have been obvious to a person skilled in the art. This contention ignores the requirement for patentability laid down by this Court in the *A & P* and *Lincoln Engineering* cases, that the claim avoid the objectionable practice of drawing within its field of monopoly notoriously old components performing exactly the same function in the claimed aggregation of units as they did in prior common usage.

Conclusion.

It is respectfully submitted:

A. That all of the questions presented relate to the concurrent findings of the fact of invalidity of the patent; that there is no decision by any Court of Appeals conflicting with that of the Ninth Circuit Court in this case, and accordingly, there is no basis for granting certiorari.

B. That even though this Court should exercise its power of review, there is ample basis for the judgment of invalidity of the patent, based solidly upon: (1) objectionable overclaiming of the alleged invention in an aggregation of a notoriously old discharge counter with other components including the turntable and register support and article stop; and (2) lack of invention in the combination of components all found to be old in the checkout counter art and in related arts including the uncited art disclosing a turntable used in connection with grocery purchases, and to which the presumption of validity does not extend.

Certiorari should be denied.

Respectfully submitted,

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